Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

Message Text

PAGE 01 STATE 263497

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PAGE 02 STATE 263497

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TAGS: ENRG, IEA

SUBJECT: ENERGY: IEA/SLT CHAIRMAN'S NOTE FOR REDUCED DEPENDENCE EXERCISE

REF: STATE 261314

OECD: PLEASE PASS TO PETER KELLY, IEA SECRETARIAT;
BRUSSELS: PASS TO MR.B.BASSETT,MINISTRY OF FOREIGN AFFAIRS;
OTTAWA: PASS TO MR. R. H. DAVIDSON, DEPARTMENT OF ENERGY AND MINES AND RESOURCES;
COPENHAGEN: PASS TO MR. B. DAN NIELSEN, MINISTRY OF FOREIGN AFFAIRS;
BONN: PASS TO DR. A. GERLACH, MINISTRY OF ECONOMICS;
DUBLIN: PASS TO MR. J. O'CALLAGHAN, DEPARTMENT OF TRANSPORT AND POWER;
ROME: PASS TO MR. E. FOLCHI, MINISTRY OF INDUSTRY;
LONDON: PASS TO MR. P.T. HARDING, DEPARTMENT OF ENERGY;
STOCKHOLM: PASS TO MR. R. GRADIN, MINISTRY OF INDUSTRY;
BERN: PASS TO MR. C. ZANGGER, FEDERAL OFFICE OF ENERGY.

EMBASSIES SHOULD DELIVER SLT CHAIRMAN'S NOTE TO APPROPRIATE HOST GOVERNMENT OFFICIALS ON MONDAY, OCTOBER 25 IN KEEPING WITH INSTRUCTIONS CONTAINED IN REFTEL.

1. BACKGROUND. I. GOVERNING BOARD MANDATE: THE GOVERNING BOARD AT THE SEPTEMBER 21 MEETING REQUESTED THE SLT: - --

-- TO REVIEW THE PROPOSALS OF THE SECRETARIAT ON PROCEDURES TO EVALUATE THE EFFECTIVENESS OF LONG-TERM COOPERATION MEASURES DESIGNED TO REDUCE OIL IMPORTS TO AN ACCEPTABLE LEVEL, AS WELL AS THE PROPOSALS CONTAINED IN GOVERNING BOARD ROOM DOCUMENT
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NO. 5 AND IN ANNEX II TO IEA/SLT (75)23;

-- TO IDENTIFY THE PRINCIPAL ISSUES THAT WILL REQUIRE POLITICAL DECISIONS BY THE GOVERNING BOARD;

-- TO PREPARE FOR THE GOVERNING BOARD AT ITS NEXT MEETING A BRIEF NON-TECHNICAL REPORT AS TO THE BASIC SUPPLY AND DEMAND ELEMENTS THAT WILL ENABLE THE GOVERNING BOARD TO ASSESS THE EXTENT OF THE EFFORTS THAT MAY BE REQUIRED TO REDUCE OIL IMPORTS TO AN ACCEPTABLE LEVEL, TOGETHER WITH PROPOSALS OR PROCEDURES TO BE ADOPTED AND TASKS TO BE CARRIED

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OUT AT NATIONAL LEVEL, AS WELL AS REVIEW AND FOLLOW UP PROCEDURES.

II. SLT MEETING OF OCTOBER 14-15:

THE SLT REVIEWED THE REVISED SECRETARIAT PROPOSAL ON PROCEDURES ON LONG-TERM COOPERATION OBJECTIVES (GOVERNING BOARD ROOM DOCUMENT NO.6). WHILE AGREEING WITH THE GENERAL THRUST OF THE DOCUMENT, THE SLT ASKED THAT THE PAPER BE REDRAFTED FOR THE FOLLOWING REASONS: OVEREMPHASIS ON LTEA FINDINGS; ROLE OF SECRETARIAT/IEA IN PROCESS; TYPE OF COMMITMENT ENVISIONED, NEED TO BASE "ACCEPTABLE LEVEL: DECISION ON COUNTRY SUBMISSIONS AND REVIEWS, STRUCTURE AND LANGUAGE OF PAPER.

THE SLT ALSO REVIEWED THE CHAIRMAN'S NOTE (IEA/SLT (76)83) ON KEY ISSUES THAT WILL REQUIRE POLITICAL DECISIONS BY THE GOVERNING BOARD. DELEGATES AGREED WITH THE ANALYSIS AND ISSUES IDENTIFIED (VIZ. HOW TO DECIDE WHAT IS AN ACCEPTABLE LEVEL OF OIL IMPORTS?, HOW SHOULD THIS PROCESS BE STRUCTURED?, AND HOW TO DEFINE COMMON OBJECTIVES?). MOST DELEGATES AGREED THAT THE CHAIRMAN'S NOTE HAD TO BE ELABORATED, MADE MORE SPECIFIC, AND SHOULD INCLUDE A RANGE OF POSSIBLE OPTIONS. INFORMAL DRAFTING GROUP IDENTIFIED KEY ISSUES AS: A) ACCEPTABLE LEVEL OF DEPENDENCE OF THE

GROUP AND BASIS FOR DETERMINATION; B) COMMITMENT
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TO OBJECTIVES/MEASURES (GROUP VS. NATIONAL); C) INDICATORS FOR BURDEN AND BENEFIT SHARING; D) DEGREE OF COMMITMENT (NATIONAL-COMMON-COOPERATIVE: POLITICAL/LEGAL); E) MONITORING ACHIEVEMENTS TOWARD REDUCED DEPENDENCE GOALS; F) PUBLICITY/CONFIDENTIALITY OF PROCESS.

THE SECRETARIAT AGREED TO PROVIDE MEMBER COUNTRY DELEGATIONS WITH A NON-TECHNICAL REPORT BRINGING TOGETHER ENERGY DEMAND AND SUPPLY PROJECTIONS AS SUBMITTED BY COUNTRIES FOR THE CONSERVATION AND ACCELERATED DEVELOPMENT REVIEW PROCESS. THE SLT AGREED TO REDRAFT PROCEDURES FOR REDUCED DEPENDENCE OBJECTIVES AS MENTIONED ABOVE.

2. ISSUES PAPER

ISSUE NO. 1 - ACCEPTABLE LEVEL OF DEPENDENCE OF THE GROUP

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SLT IDENTIFIED THIS ISSUE AS ONE REQUIRING A
POLITICAL DECISION BY THE GOVERNING BOARD. THE
STANDING GROUP AGREED THAT NATIONAL SUBMISSIONS
RATHER THAN LTEA SHOULD BE USED AS THE BASIS FOR
DERIVING AN AGENCY OBJECTIVE, THOUGH DELEGATES AGREED
THAT IEA NET OIL IMPORTS OF 29.3 MMBD (IN THE CONTEXT
OF FORECASTS OF WORLD DEMAND FOR OPEC OIL OF 38-40
MMBD) BY 1985 PROJECTED IN THE LTEA ARE NOT ACCEPT-
ABLE. TWO QUESTIONS WERE CONSIDERED UNDER THIS
CATEGORY AND I RECOMMEND IF POSSIBLE WE RESOLVE
THESE ISSUES AT THE SLT LEVEL OR AT LEAST NARROW
THE OPTIONS BEFORE SUBMITTING OUR RECOMMENDATIONS
TO THE GOVERNING BOARD.

QUESTION:

SHOULD THE LEVEL OF DEPENDENCE BE EXPRESSED IN
QUANTITATIVE OR QUALITATIVE TERMS?

FOUR OPTIONS WERE IDENTIFIED: A) OIL IMPORTS IN
ABSOLUTE VOLUME, E.G., IEA COUNTRIES NET OIL
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IMPORTS BY 1985 WILL NOT EXCEED X MMBPD; B) OIL
IMPORTS AS A SHARE OF TOTAL ENERGY CONSUMED E.G.,
IEA COUNTRIES NET OIL IMPORTS BY 1985 WILL NOT EXCEED
X PERCENT OF TOTAL PRIMARY ENERGY CONSUMED; C)
DEMAND AND SUPPLY OF ENERGY E.G., BY 1985 IEA
PRODUCTION OF ENERGY WILL BE AT LEAST X MMBPD OF OIL

EQUIVALENT AND CONSUMPTION WILL BE NO MORE THAN X MMBPD;
D) QUALITATIVE E.G., TO REDUCE OIL CONSUMPTION;
INCREASE COAL PRODUCTION AND USE, ETC.

I SUGGEST WE ATTEMPT TO RESOLVE THIS ISSUE AT THE SLT
LEVEL BY RECOMMENDING THE GB ADOPT OPTION A AS AN
AGENCY OBJECTIVE.

QUESTION:

WHAT IS THE APPROPRIATE BASIS UPON WHICH AGENCY
OBJECTIVES SHOULD BE BASED? GENERAL CONSENSUS OF
THE GROUP WAS THAT THERE ARE ONLY TWO REALISTIC
OPTIONS: A) AGGREGATION AND REVIEW OF NATIONAL
PROJECTIONS SUBMITTED TO IEA; B) AGGREGATION AND
REVIEW OF NATIONAL PROJECTIONS SUBMITTED TO IEA,
REINFORCED AS NECESSARY TO BRING OVERALL DEPENDENCE
DOWN TO AN ACCEPTABLE LEVEL.

THE CHAIRMAN BELIEVES THE SLT SHOULD RECOMMEND OPTION B
TO THE GOVERNING BOARD. HOWEVER, IF AFTER AGGREGATING

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Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006

AND REVIEWING THE NATIONAL OBJECTIVES SUBMITTED FOR
THE IEA NATIONAL CONSERVATION, ACCELERATED DEVELOPMENT
AND NUCLEAR REVIEWS, WE FIND THAT THE OVERALL LEVEL OF
DEPENDENCE IS ACCEPTABLE AND THAT THE NATIONAL
PROJECTIONS ARE BASED ON REALISTIC AND ACHIEVABLE
ASSUMPTIONS, NO REINFORCEMENT WOULD BE NECESSARY.

ISSUE NO. 2 - NATURE OF OBJECTIVES/MEASURES CHOSEN

SLT IDENTIFIED FOUR POSSIBLE OPTIONS UNDER THIS
ISSUE: A) GROUP OBJECTIVES ONLY, B) GROUP OBJECTIVES
AND NATIONAL/COOPERATIVE MEASURES TO ACHIEVE THEM,
C) NATIONAL OBJECTIVES, D) NATIONAL OBJECTIVES AND
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MEASURES TO ACHIEVE THEM. A RELATED ISSUE NOT
ADDRESSED UNDER THIS HEADING ARE: IF NATIONAL
OBJECTIVES ARE ADOPTED SHOULD THEY BE QUALITATIVE OR
QUANTITATIVE?

THE CHAIRMAN BELIEVES WE SHOULD REJECT OPTIONS A AND C
SINCE WE ARE ALL AGREED THAT ESTABLISHMENT OF A SIMPLE
NUMBERS EXERCISE WITHOUT IDENTIFYING THE MEASURES
NECESSARY TO BRING ABOUT THESE NUMBERS IS NOT VERY

MEANINGFUL. THE CHAIRMAN BELIEVES IN EFFECT THAT THE
GOVERNING BOARD SHOULD BE ASKED TO ADOPT A COMBINATION
OF OPTIONS B AND D AS FOLLOWS: OVERALL GROUP
OBJECTIVES WITH IDENTIFICATION OF THE POLICY MEASURES
NECESSARY TO BRING THEM ABOUT SUPPORTED BY A FRAMEWORK
OF INDIVIDUAL MEMBER COUNTRY'S ACTIONS AND IDENTIFICATION
OF THE NATIONAL MEASURES REQUIRED TO ACHIEVE THESE
OBJECTIVES.

AS FAR AS THE NATIONAL OBJECTIVES ARE CONCERNED, THESE
IN EFFECT WOULD HAVE TO BE MADE EXPLICITY IN ORDER
TO DERIVE THE OVERALL GROUP OBJECTIVE. AS A PART OF
THE POLITICAL PROCESS, MEMBER GOVERNMENT WILL HAVE TO
ACCEPT SOME PORTION OF THE RESPONSIBILITY FOR ACHIEVING
THE OVERALL GROUP OBJECTIVE. IT IS DIFFICULT TO STATE
IN ADVANCE HOW THAT RESPONSIBLITY SHOULD BE EXPRESSED:
I.E., IN MILLION OF BARRELS A DAY OF IMPORTS OR IN
SOME OTHER FORM. WE SHOULD BE ABLE TO ESTABLISH THIS
ONCE THE PROCESS IS UNDERWAY. WE MIGHT ENVISION THAT
SOME COUNTRIES WOULD ESTABLISH THEIR NATIONAL OBJECTIVE
IN QUALITATIVE TERMS. HOWEVER, THIS WOULD HAVE TO BE
DONE IN A MANNER WHICH WOULD PERMIT ACTUAL PERFORMANCE
AGAINST THESE NATIONAL OBJECTIVES TO BE REVIEWED AND
EVALUATED AS EFFECTIVELY AS THE PERFORMANCE OF THOSE
COUNTRIES WHICH ESTABLISH THEIR OBJECTIVES IN
QUANTITATIVE TERMS.

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ISSUE NO. 3 - INDICATORS OF BURDEN AND BENEFIT SHARING

DELEGATES AGREED THAT EACH IEA COUNTRY MUST CONTRIBUTE
AN EQUITABLE SHARE TOWARD ACHIEVING AN IMPROVED BALANCE
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OF WORLD ENERGY SUPPLY AND DEMAND. HOW THIS SHARE
SHOULD BE DETERMINED IS DIFFICULT CONCEPTUALLY AND
POLITICALLY. ENERGY STRATEGIES WILL OBVIOUSLY DIFFER
DEPENDING ON ENERGY RESOURCE AVAILABILITY, DIFFERENCES
IN ECONOMIC DEVELOPMENT, SOCIO-ECONOMIC OBJECTIVES,
ENVIRONMENTAL GOALS, CLIMATE, ETC.

DELEGATIONS AGREED THAT EACH COUNTRY MUST RETAIN
COMPLETE CONTROL OVER ITS OWN ENERGY AND ENERGY
RELATED POLICY MAKING PROCESS, BUT OTHER AGENCY
MEMBERS MUST BE SATISFIED THAT EACH COUNTRY IS
PERFORMING TO ITS FULL POTENTIAL AND THAT BURDEN
SHARING IS ADEQUATE IN TERMS OF THE POLICIES AND
PROGRAMS BEING IMPLEMENTED TO ACHIEVE OUR OBJECTIVES.

A LOGICAL AND ACCEPTABLE WAY FOR SUCH AN ASSESSMENT
IS THROUGH REVIEW AND EVALUATION OF MEMBER COUNTRIES'
ENERGY PROGRAMS AND POLICIES. THE DOCUMENT PREPARED
BY THE SLT INFORMAL DRAFTING GROUP LISTS A NUMBER OF
INDICATORS WHICH CAN BE INCLUDED IN THE OVERALL REVIEW/
ASSESSMENT. I SUGGEST WE RECOMMEND TO THE GOVERNING
BOARD THAT BENEFIT AND BURDEN SHARING BE DETERMINED
IN THE GOVERNING BOARD AFTER A FULL AND INTENSIVE
REVIEW AND EVALUATION OF ENERGY PROGRAMS/ POLICIES
TAKING INTO ACCOUNT A) EACH COUNTRY'S IMPORTED OIL
AS A SHARE OF TOTAL IEA IMPORTED OIL, B) ASSESSMENT OF
ENERGY PRODUCTION POTENTIAL AND COSTS, C) ENERGY
EFFICIENCY RATIOS, D) ENERGY INVESTMENT EFFORTS,
E) ADOPTION OF COMMON OR COOPERATIVE MEASURES,
F) ENERGY PRICING POLICIES, G) ENERGY EFFORTS OVER
AN APPROPRIATE PERIOD OF TIME RATHER THAN ANNUAL
ACCOMPLISHMENTS ALONE, I.E., THE EQUITY OF BURDEN
SHARING MUST TAKE INTO ACCOUNT NOT ONLY THE OBJECTIVES
AS INITIALLY ESTABLISHED BUT ALSO THE PERFORMANCE
THEREAFTER AGAINST THESE OBJECTIVES AS EVALUATED IN THE
ANNUAL REVIEW PROCESS

ISSUE NO. 4 - DEGREE OF COMMITMENT TO ADOPT MEASURES
TO MEET OBJECTIVES:

THE SLT AGREED THAT NATIONAL, COMMON, AND COOPERATIVE
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MEASURES COULD BE USED TO ACCOMPLISH REDUCED DEPENDENCE OBJECTIVES.

I SUGGEST WE RETAIN MAXIMUM FLEXIBILITY IN THE SYSTEM AND ALLOW EACH COUNTRY TO ADOPT ITS OWN COMBINATION OF MEASURES. COMMON AND COOPERATIVE MEASURES WOULD PRESUMABLY BE THE SUBJECT OF SEPARATE AGREEMENTS, E.G., WITHIN THE IEA LONG TERM PROGRAM.

WITH RESPECT TO NATIONAL MEASURES, THE OTHER MEMBERS OF THE GROUP WOULD HAVE TO BE SATISFIED THAT THE MEASURES CHOSEN ARE APPROPRIATE IN THE CONTEXT OF THE OBJECTIVES.

AT THE END OF THE PROCESS TO BE LAUNCHED BY THE NOVEMBER 9 GOVERNING BOARD DECISION, THE MEMBER COUNTRIES WOULD PLEDGE THEMSELVES TO BOTH A SET OF INDIVIDUAL OBJECTIVES AND THE MEASURES NECESSARY TO ACHIEVE THEM. THE GOVERNING BOARD WILL WANT TO CONSIDER AGREEING, EITHER AT THE BEGINNING OF THE

PROCESS OR SUBSEQUENTLY, THAT THESE COMMITMENTS BE FORMALLY ENDORSED AT A MINISTERIAL MEETING OF THE GOVERNING BOARD.

DELEGATES RECOGNIZED THAT MEMBER COUNTRIES FOLLOW DIFFERENT PROCEDURES IN ADOPTING INTERNATIONAL COMMITMENTS. THESE REDUCED DEPENDENCE COMMITMENTS WOULD REPRESENT A POLITICAL UNDERTAKING BUT WOULD NOT BE IN THE FORM OF A LEGALLY BINDING INTERNATIONAL AGREEMENT. HOWEVER, THE GOVERNING BOARD DECISION LAUNCHING THE PROCESS SHOULD RECOGNIZE THAT DESPITE DIFFERING LEGISLATIVE SYSTEMS, THERE WILL HAVE TO BE ADEQUATE PARALLELISM TO ENSURE THAT COMMITMENTS TAKEN ARE FOLLOWED BY EFFECTIVE GOVERNMENTAL ACTION. THE GOVERNING BOARD'S DECISION SHOULD ALSO REFLECT THAT THE ANNUAL REVIEWS OF MEMBER COUNTRY PERFORMANCE AND PROGRAMS WOULD PROVIDE AN ADDITIONAL MEANS OF ENSURING THAT THE DEGREE OF COMMITMENTS IS PARALLEL.

ISSUE NO. 5 - MONITORING PROGRESS TOWARD REDUCED
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DEPENDENCE

THE MONITORING OF PROGRESS TOWARD REDUCED DEPENDENCE SHOULD BE CENTERED ON THE ANNUAL REVIEW NOW ESTABLISHED IN THE IEA, REINFORCED AS NECESSARY. THE RESULTS OF THIS REVIEW PROCESS SHOULD BE SUBMITTED TO THE

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GOVERNING BOARD FOR POLICY LEVEL DISCUSSION, ASSESSMENT,
AND CONSIDERATION OF POSSIBLE RECOMMENDATIONS TO
INDIVIDUAL GOVERNMENTS CONCERNING THEIR PERFORMANCE
TOWARD ACHIEVING REDUCED DEPENDENCE .

ISSUE NO. 6 - CONFIDENTIALITY OF PROCESS

A COMMITMENT BY MEMBER COUNTRIES TO REDUCE DEPENDENCE
ON IMPORTED OIL ACCOMPANIED BY THE ADOPTION OF
SPECIFIC ENERGY POLICY MEASURES WILL IMPROVE THE
PERCEPTION OF IEA'S EFFORTS TO REDUCE IMPORTS.
HOWEVER, FAILURE TO ACHIEVE THESE OBJECTIVES COULD
RESULT IN LESSENED CREDIBILITY. THE FOLLOWING OPTIONS
WERE SUGGESTED BY THE SLT: A) PUBLICITY OF THE PROCESS
AND PROGRESS TOWARD REDUCED DEPENDENCE, B) CONFIDENTIAL
TREATMENT OF THE PROCESS BUT ANNOUNCEMENT OF RESULTS,
(POSSIBLY AT A MINISTERIAL MEETING; C) ANNOUNCEMENT
OF AGENCY GOALS, BUT NOT NATIONAL COMPONENTS THEREOF.

I CONSIDER THAT THIS ISSUE REQUIRES A DECISION BY THE
GOVERNING BOARD. THE CHAIRMAN BELIEVES THAT OPTION A
WOULD ENHANCE THE AGENCY'S CREDIBILITY AND
EMPHASIZE OUR JOINT DETERMINATION TO REDUCE OUR
DEPENDENCE ON IMPORTED OIL.

, -
3. BASED ON ITS DISCUSSION OF AND DECISION ON THE
ISSUES SET OUT ABOVE THE SLT SHOULD INVITE THE
GOVERNING BOARD AT ITS NOVEMBER 8-9 MEETING TO
AGREE ON A PROCESS FOR ESTABLISHING REDUCED DEPENDENCE
OBJECTIVES. THE CHAIRMAN SUGGESTS THE SLT DISCUSS THE
PROCESS OUTLINED BELOW WHICH INCORPORATES GOVERNING
BOARD ROOM DOCUMENT NO. 6 AND WRITTEN AND ORAL
COMMENTS ON THIS PAPER BY VARIOUS DELEGATIONS.

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PAGE 10 STATE 263497

THE PROCESS

I. AFTER ASSESSING THE WORLD ENERGY SUPPLY/DEMAND PROJECTIONS
CONTAINED IN THE LTEA AND OTHE ANALYSES, THE GOVERNING
BOARD SHALL MAKE A POLICY DETERMINATION WHETHER,
ABSENT ANY MAJOR POLICY INITIATIVES, THE PROJECTED
LEVELS OF IEA DEPENDENCE ON OIL IMPORTS ARE POLITICALLY
AND ECONOMICALLY ACCEPTABLE.

II. IN THE EVENT THE GOVERNING BOARD DETERMINES THAT
THE EXPECTED LEVEL OF IMPORT DEPENDENCE FOR IEA
MEMBERS IS NOT ACCEPTABLE, THE FOLLOWING PROCEDURES S;ALL
BE INITIATED:

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A. THE SLT WILL EVALUATE THE SUBMISSIONS BY MEMBER COUNTRIES FOR THE MOST RECENT CONSERVATION, ACCELERATED DEVELOPMENT AND NUCLEAR ANNUAL REVIEWS. THIS EVALUATION, ON A COUNTRY-BY-COUNTRY BASIS, WILL FOCUS ON PROJECTIONS OF ENERGY SUPPLY, DEMAND AND IMPORTS AND THE SPECIFIC POLICY ASSUMPTIONS ON WHICH THEY ARE BASED. BASED ON THIS REVIEW THE SLT SHALL INFORM THE GOVERNING BOARD OF THE PROJECTED IMPORT DEPENDENCE OF IEA MEMBERS BY 1985 AND PROVIDE IT WITH AN ASSESSMENT OF THE ADEQUACY OF THE POLICY MEASURES OF VARIOUS COUNTRIES IN ACHIEVING PROJECTED LEVELS OF IMPORT DEPENDENCE. THE GOVERNING BOARD SHALL DETERMINE IF THE PROJECTED LEVEL OF IMPORT DEPENDENCE IS ACCEPTABLE AND THAT THE MEASURES WHICH UNDERLY THEM ARE ACHIEVABLE.

B. IN THE EVENT THE GOVERNING BOARD DETERMINES THAT THE PROJECTED LEVEL OF IMPORT DEPENDENCE IS NOT ACCEPT-ABLE, OR THAT THE NATIONAL MEASURES ON WHICH THEY ARE BASED ARE NOT ADEQUATE, IT SHALL EXAMINE EACH COUNTRY'S INDIVIDUAL ENERGY PROGRAM, AND IN CLOSE CONSULTATION WITH THE COUNTRY CONCERNED IDENTIFY ADDITIONAL MEASURES (NATIONAL AND/OR COOPERATIVE) NECESSARY TO REINFORCE ITS ENERGY PROGRAM THAT WOULD CONTRIBUTE TO A REDUCTION IN THE OVERALL IMPORT DEPENDENCE OF THE GROUP TO A LEVEL IT DEEMS TO BE ACCEPTABLE. MEMBER COUNTRIES WILL AGREE TO ADOPT RECOMMENDED PROGRAMS OR MEASURES OR ALTERNATIVE
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PROGRAMS WHICH ACHIEVE THE SAME RESULT. IN THIS PROCESS, THE GOVERNING BOARD WILL ENSURE AN EQUITABLE SHARING OF BURDENS AND BENEFITS AMONG ALL PARTICIPATING COUNTRIES, BEARING IN MIND ALL ELEMENTS RELEVANT TO THE DEVELOPMENT OF EACH COUNTRY'S ENERGY POLICIES INCLUDING ECONOMIC, SOCIAL AND ENVIRONMENTAL OBJECTIVES, ENERGY RESOURCE POTENTIAL, ETC.

C. ON THE BASIS OF THE REVIEWS AND OTHER STEPS AS NECESSARY, OUTLINED ABOVE, THE GOVERNING BOARD, ACTING AT MINISTERIAL LEVEL, SHALL ADOPT A DECISION WHICH ENDORSES THE OVERALL OBJECTIVES FOR REDUCING IEA IMPORT DEPENDENCY BY 1985 ON THE BASIS OF NATIONAL SUBMISSIONS (REINFORCED IF NECESSARY) AND MEMBER COUNTRY COMMITMENTS TO ADOPT AND IMPLEMENT ENERGY POLICIES TO ARRIVE AT THE OBJECTIVE.

D. THE REVIEW PROCESS OF THE AGENCY SHALL BE STRENGTHENED TO ENSURE RIGOROUS MONITORING OF PROGRESS IN ACHIEVING AGENCY OBJECTIVES AND THE CONTRIBUTION OF EACH MEMBER TOWARD THIS END, ESPECIALLY THE ADOPTION AND IMPLEMENTATION OF INDIVIDUAL NATIONAL

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COMMITMENTS CONTAINED IN THE DECISION ADOPTED BY THE
GOVERNING BOARD UNDER C. THE SLT SHALL ELABORATE
THIS REVIEW PROCESS FURTHER AND REPORT ANNUALLY TO
THE GOVERNING BOARD ON PROGRESS TOWARD ACHIEVING A
REDUCTION IN THE GROUP'S DEPENDENCE ON OIL IMPORTS.
THE GOVERNING BOARD SHALL EVALUATE THE OVERALL REDUCED
DEPENDENCE OBJECTIVE AND PROGRESS TOWARD ATTAINING IT
ANNUALLY IN THE LIGHT OF THE DEVELOPMENTS IN THE
WORLD OIL MARKET.

TIMETABLE

NOVEMBER - GOVERNING BOARD WILL APPROVE THE PROCESS LAID
OUT ABOVE FOR ESTABLISHING REDUCED DEPENDENCE OBJECTIVES
AND DETERMINE THE POLITICAL AND ECONOMIC ACCEPTABILITY
OF EXISTING PROJECTIONS OF FUTURE OIL IMPORT DEPENDENCE
OF THE IEA.

MID FEBRUARY - SLT REPORTS TO GOVERNING BOARD ON ITS
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PAGE 12 STATE 263497

EVALUATION OF THE PROJECTIONS OF ENERGY SUPPLY AND
DEMAND AND OIL IMPORTS SUBMITTED TO THE IEA IN
CONNECTION WITH THE CONSERVATION, ACCELERATED
DEVELOPMENT AND NUCLEAR REVIEWS AND THE POLICY
MEASURES WHICH UNDERLY THEM.

MARCH/APRIL - IF NECESSARY, ON THE BASIS OF SLT
RECOMMENDATIONS THE GOVERNING BOARD, IN CLOSE
CONSULTATION WITH INDIVIDUAL MEMBER GOVERNMENTS,
WILL EXAMINE NATIONAL PROGRAMS WITH A VIEW TO
STRENGTHENING THEM.

MAY - GOVERNING BOARD, MEETING AT MINISTERIAL LEVEL,
WILL ANNOUNCE THE
GLOBAL REDUCED DEPENDENCE OBJECTIVE ON THE BASIS
OF THE FIRST REVIEW OF NATIONAL PROGRAMS CONDUCTED
PREVIOUSLY AND ENDORSE THE POLITICAL COMMITMENTS BY
MEMBER GOVERNMENTS TO ADOPT THE ENERGY POLICY MEASURES
NECESSARY TO ACHIEVE THEM. KISSINGER

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Disposition Case Number: n/a
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Disposition Remarks:
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Enclosure: n/a
Executive Order: N/A
Errors: n/a
Film Number: D760398-0790
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Legacy Key: link1976/newtext/t197610103/baaaeqnd.tel
Line Count: 532
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 10
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: KelleyW0
Review Comment: n/a
Review Content Flags:
Review Date: 07 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <07 APR 2004 by ElyME>; APPROVED <02 AUG 2004 by KelleyW0>
Review Markings:

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EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: ENERGY: IEA/SLT CHAIRMAN'S NOTE FOR REDUCED
TAGS: ENRG, IEA
To: BERN NIACT
ANKARA
ATHENS
BONN
BRUSSELS
COPENHAGEN

DUBLIN
LONDON
LUXEMBOURG
MADRID
OSLO
OTTAWA
OECD PARIS
ROME
STOCKHOLM
THE HAGUE
TOKYO
VIENNA
WELLINGTON INFO EC BRUSSELS
PARIS
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006